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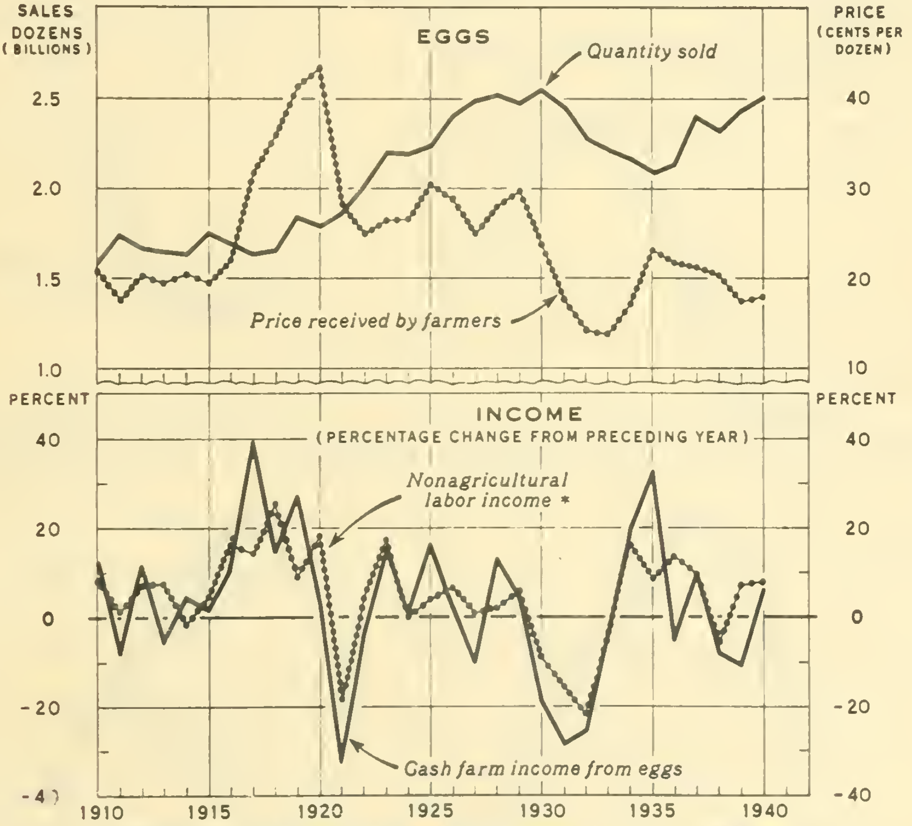
THE Poultry and Egg SITUATION
BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE
PES-57 BAE SEPTEMBER 1941

1942 OUTLOOK ISSUE WITH CHARTS

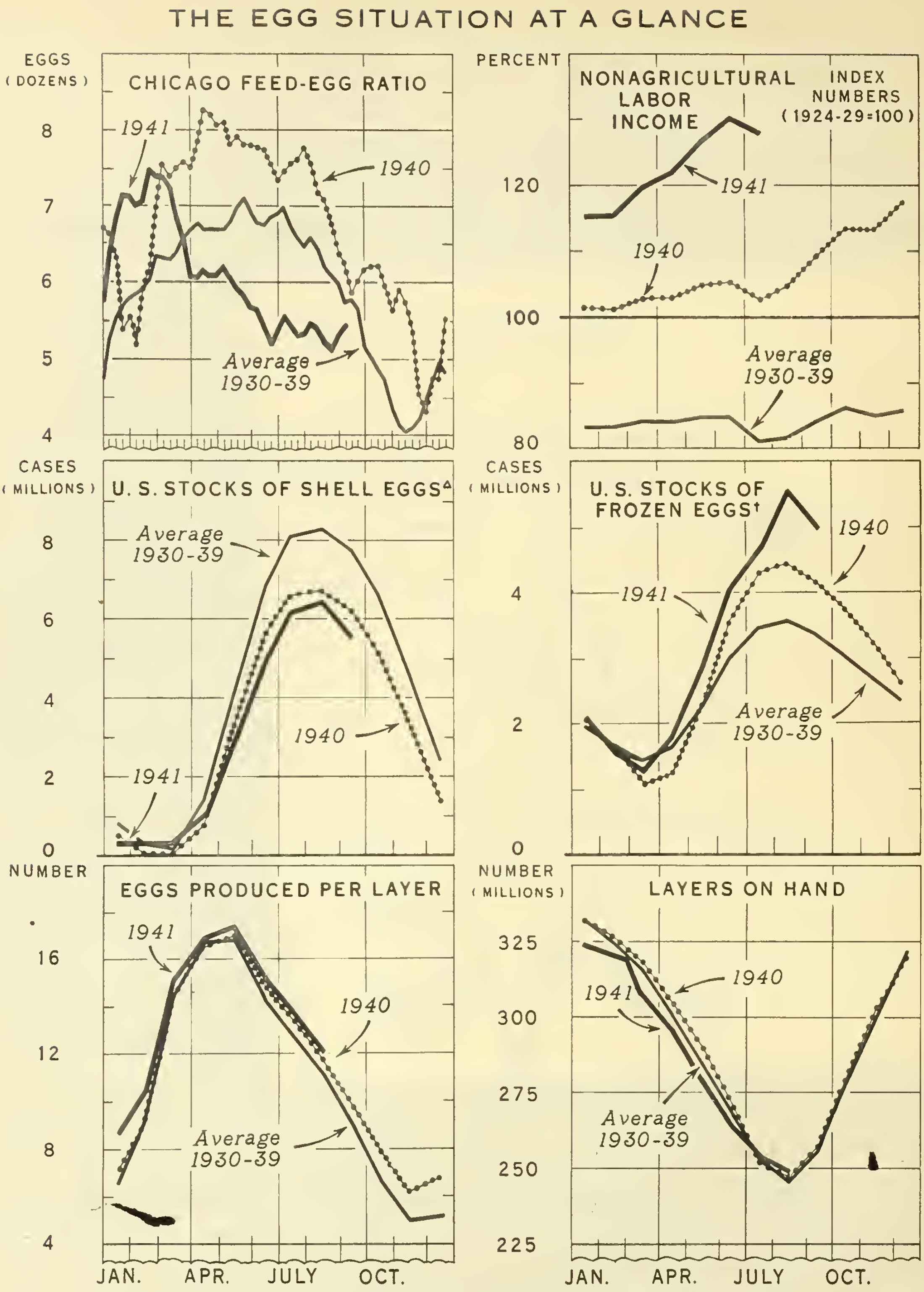
SALES OF EGGS, PRICE AND CASH FARM INCOME RECEIVED FOR EGGS, AND NONAGRICULTURAL LABOR INCOME, UNITED STATES, 1910-40



* BASED ON DATA FROM DEPT. OF COMMERCE AND NATIONAL BUR. OF ECON. RESEARCH

U. S. DEPARTMENT OF AGRICULTURE NEG. 39539 BUREAU OF AGRICULTURAL ECONOMICS

Egg production on farms in 1942 is expected to be about 10 percent larger than in 1941. Because of the prospective further improvement in consumer demand and heavy purchases for lend-lease needs, however, egg prices are expected to average higher in 1942 than this year. The increase in cash farm income from eggs in 1942 over 1941 probably will closely parallel the increase in nonagricultural labor income; and total cash farm income from eggs in 1942 may be the largest on record.



A. M. S. DATA, EXCEPT NONAGRICULTURAL LABOR INCOME

△ *1ST. OF THE MONTH. EXCLUDES U. S. D. A. HOLDINGS, BEGINNING APRIL 1, 1940*

† *1ST. OF THE MONTH. EXCLUDES U. S. D. A. HOLDINGS, BEGINNING JULY 1, 1941*

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FIGURE 1

THE POULTRY AND EGG SITUATION

Summary

Production of poultry products is responding rapidly to favorable prices, and output in the United States in 1942 is expected to be the largest on record.

The basis for a material increase in egg production in 1942 was established with the 14-percent increase in number of chickens raised on farms this year over last. This year marked the upturn of the cycle of chicken production, and with chicken and egg prices supported at not less than 85 percent of parity a further increase of several percent in chickens raised in 1942 is probable. With the number of layers now in prospect for next year it is likely that the tentative goal established for egg production in 1942 will be attained.

The goal for production of chicken meat in 1942 also is likely of attainment. Only a moderate increase in the hatch will be necessary, since the slaughter of fowls in 1942 probably will be larger than in 1941, and numbers of all chickens on farms may not be increased to the extent they were this year. The 1942 number of layers could be maintained into 1943 even though the 1942 hatch should be no larger than this year's output.

The effects on prices received by farmers of the prospective larger supplies of poultry products are expected to be more than offset by a stronger consumer demand and by the Department's purchasing and price-supporting program. Cash farm income from poultry products in 1942 will be materially larger than in 1941 and probably the largest on record. Farmers' costs also will be higher than in 1941 but may not increase as much as income.

Egg production continues larger than a year earlier and with favorable weather will increase further relative to late 1940 as this year's much larger number of pullets come into production. The margin of egg prices over those of a year earlier has been decreasing along with the relative increase in receipts. The price of fresh firsts at Chicago in the third week of September was about 50 percent higher than in the corresponding period of 1940, whereas in mid-August the difference was about 65 percent. Egg prices are expected to continue well above those of a year earlier, but the increase may continue to be less than usual in view of the heavier marketings in prospect.

Market supplies of young chickens are continuing to increase and storage stocks of poultry are being accumulated despite much smaller farm marketings of fowl than a year ago. Wholesale prices of live chickens at Chicago in mid-September were slightly lower than in mid-August but have held up well in view of the heavy marketings. Prices of most classes are 2 to 4 cents higher now than a year ago.

- September 22, 1941

OUTLOOK FOR FEEDS

The combined supplies of corn, oats, and barley for 1941-42, plus the 1941 production of grain sorghums, total 125 million tons, slightly more than the supply last year and 17 percent above the 1928-32 average. In the central area of the Corn Belt supplies of corn are about 50 percent above the predrought average. Supplies in the eastern Corn Belt also are considerably larger than the 1928-32 average, but in the area west of the Missouri River supplies are considerably below this average though larger than in other recent years.

Supplies of wheat millfeeds for 1941-42 will be above average for recent years and supplies of high protein feeds will be the largest on record. Supplies of cottonseed, peanut, and copra cakes and meals are expected to be smaller than in 1940-41. The reduction in these supplies, however, is expected to be more than offset by a considerable increase in supplies of soybean cake and meal. Supplies of linseed meal will be large again in 1941-42, since flaxseed crushings will be heavy and foreign markets for such cake and meal are closed.

Prices of feeds during the crop year 1941-42 are expected to be supported at, or above, the September 1941 level. A marked improvement in the demand for feed was largely responsible for the rise in feed prices to date this year, although provisions for higher loan rates on 1941 corn and wheat were partly responsible. Prices of corn, oats, and barley are 10 to 15 cents per bushel higher than in September 1940, and prices of wheat millfeeds and high protein feeds are up from $10 to $15 per ton. With increases in livestock production in prospect for 1942 and with no material drop in livestock prices, feed prices may be expected to continue considerably higher than during the past few years.

Unless feed prices advance more than now seems likely, however, the feed-egg ratio during the coming winter and spring period probably will be more favorable than average and more favorable than during the early part of the 1940-41 production season. During the week ended September 13 the feed-egg ratio at Chicago was 13 percent more favorable than a year earlier and 6 percent more favorable than the 1930-39 average.

Feed-egg ratio at Chicago

(Dozens of eggs required to buy 100 pounds of poultry ration)

Year	Week ending as of 1941											
	Feb.	May	July	Aug.			Sept.				Oct.	Dec.
	22	31	26	16	23	30	6	13	20	27	25	27
	Doz.	Doz.	Doz.	Doz.	Doz.	Doz.	Doz.	Doz.	Doz.	Doz.	Doz.	Doz.
Average:												
1930-39	6.06	7.11	6.59	6.43	6.20	6.07	5.97	5.76	5.78	5.65	4.73	4.83
1939	6.21	7.45	5.76	6.15	6.33	6.13	7.08	6.59	6.66	6.39	5.13	6.62
1940	6.23	7.82	7.61	7.17	7.08	6.78	6.36	6.25	5.87	6.02	5.95	5.52
1941	7.48	5.83	5.30	5.39	5.24	5.13	5.32	5.44				

Agricultural Marketing Service data.

EGG SITUATION

REVIEW OF RECENT DEVELOPMENTS

Number of Layers Continues to Increase Relative to a Year Ago

The number of layers declined about normally from January to May this year. From May to about August, however, the number declined less than usual and much less than a year earlier. Data for September 1 indicate that the number is continuing to increase more than usual. The relatively more favorable feed-egg ratio than feed-chicken ratio was instrumental in restricting fowl marketings this summer. The wholesale price of hens this summer was about one-third higher than a year earlier, whereas the price of eggs was about two-thirds higher than in the summer of 1940. In addition, extension poultrymen and others encouraged farmers to postpone marketing their old hens in order to obtain larger egg production in the late summer and early fall.

In August the average number of layers on farms in the United States was 1 percent larger than in August 1940. With a 3-percent higher rate of lay about 4 percent more eggs were produced during the month than in August last year. By regions the changes from a year earlier in the August egg output were as follows: North Atlantic, 4 percent; East North Central, 5 percent; West North Central, 6 percent; South Atlantic, -2 percent; South Central, 7 percent; and Western, 1 percent.

Egg production in the United States since September 1 apparently has continued larger than a year earlier. Receipts at Midwest primary markets have been twice as large as a year ago, and receipts at Pacific Coast Primary markets are larger than a year earlier for the first time this year. As a result of heavy marketings of freshly produced eggs the net withdrawals of shell eggs from storage in recent weeks have been smaller than a year earlier.

Number of layers on farms, United States

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.
Average 1930-39	332	325	315	301	284	267	253	246	256	278	300	322
1938	307	301	292	278	262	248	236	234	245	269	293	314
1939	322	316	306	292	276	260	246	242	253	279	305	326
1940	332	327	318	304	289	270	252	247	257	279	303	320
1941	324	318	308	295	280	266	254	249				

Average number of eggs produced per layer, United States

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.
Average 1930-39	6.6	8.9	14.3	16.7	16.8	14.2	12.7	11.2	8.9	6.8	5.0	5.2
1938	7.9	9.9	15.4	17.5	17.3	14.9	13.6	11.8	9.4	7.5	5.9	6.4
1939	8.0	9.7	14.9	17.0	17.0	14.6	13.2	11.7	9.3	7.4	6.0	6.8
1940	7.2	9.0	14.4	16.5	17.0	14.8	13.4	11.8	9.7	7.9	6.2	6.8
1941	8.7	10.3	15.0	16.9	17.4	15.1	13.8	12.2				

Total farm production of eggs, United States

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Mil. cases	Mil. cases	Mil. cases	Mil. cases	Mil. cases	Mil. cases	Mil. cases	Mil. cases	Mil. cases	Mil. cases	Mil. cases	Mil. cases
Average 1930-39	6.0	8.0	12.5	13.9	13.2	10.5	8.9	7.6	6.4	5.2	4.1	4.7
1938	6.7	8.3	12.5	13.5	12.6	10.3	8.9	7.6	6.4	5.6	4.8	5.5
1939	7.2	8.5	12.6	13.8	13.0	10.6	9.1	7.8	6.5	5.7	5.1	6.1
1940	6.7	8.2	12.7	14.0	13.7	11.1	9.4	8.1	7.0	6.1	5.2	6.0
1941	7.9	9.1	12.8	13.9	13.5	11.1	9.7	8.5				

Agricultural Marketing Service data.

Total Storage Stocks of Eggs Now Are Larger Than a Year Ago

The net out-of-storage movement for both shell and frozen eggs during August was much lighter than in August 1940. During the first week in September an into-storage movement for frozen eggs occurred. This is the first time such a movement has occurred after September 1.

On September 1 total United States stocks of shell eggs were 15 percent smaller and private stocks were 11 percent smaller than a year earlier. The Department of Agriculture owned 619,000 cases on that date this year compared with 1,025,000 cases on September 1, 1940. Total holdings of frozen eggs were about one-third larger than a year earlier, and privately owned stocks were 20 percent over those of September 1, 1940.

Eggs: Storage stocks in the United States and storage movement at 26 markets

Year	United States stocks		Out-of-storage movement, week ending as of 1941					
	Aug. 1	Sept. 1	Aug.	Sept.				Oct.
			30	6	13	20	27	4
	1,000 cases	1,000 cases	1,000 cases	1,000 cases	1,000 cases	1,000 cases	1,000 cases	1,000 cases
Shell								
Average								
1930-39 ...	8,304	7,754	116	143	186	188	205	242
1939	7,024	6,598	89	156	208	163	201	250
1940	[1] 6,716	[1] 6,216	125	165	210	191	190	263
1941	[1] 6,402	[1][2] 5,515	95	102	84			
Frozen								
Average								
1930-39 ...	3,536	3,352	---	---	---	---	---	---
1939	4,125	3,884	29	37	64	74	62	64
1940	4,427	4,162	36	50	57	71	64	58
1941	[3] 5,574	[2][3] 5,542	19	[4] 6	99			

Agricultural Marketing Service data.

[1] Excludes U. S. Department of Agriculture holdings as follows: Aug. 1, 1940, 1,068,000 cases; Sept. 1, 1940, 1,025,000 cases; Aug. 1, 1941, 239,000 cases; and Sept. 1, 1941, 619,000 cases.

[2] Preliminary.

[3] Excludes U. S. Department of Agriculture holdings as follows: Aug. 1, 51,000 cases and Sept. 1, 549,000 cases.

[4] Into-storage movement.

Egg Prices Advancing Less Than Seasonally

Advances of 2 to 6 cents in egg prices during August were fairly general. During the first half of September, however, prices held steady and wholesale prices in general increased less than seasonally from mid-August to mid-September. As a result, the excess of prices over those of a year earlier had diminished somewhat. These price movements coincided with increases in receipts relative to a year earlier. In mid-September the price of fresh firsts at Chicago, at 29 cents, was about 50 percent higher than a year previous. The average price received by farmers in mid-August, 26.8 cents, was 55 percent higher than in August 1940.

Price per dozen received by farmers for eggs, United States

Year	Jan. 15	Feb. 15	Mar. 15	Apr. 15	May 15	June 15	July 15	Aug. 15	Sept. 15	Oct. 15	Nov. 15	Dec. 15
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Average:												
1930-39	22.8	18.8	16.1	16.0	15.9	15.7	17.0	18.7	21.9	24.7	28.2	26.3
1938	21.6	16.4	16.2	15.0	17.6	18.2	19.9	21.0	24.9	27.1	29.0	27.9
1939	18.8	16.7	16.0	15.5	15.2	14.9	16.5	17.5	20.6	22.9	25.8	20.5
1940	18.3	20.2	15.4	15.0	15.1	14.4	16.4	17.2	21.0	23.7	26.2	26.8
1941	19.7	16.8	16.4	19.7	20.1	23.2	25.6	26.8				

Agricultural Marketing Service data.

Department Announces Further Price Support for Chickens and Eggs

In early September the Secretary of Agriculture announced that in order to encourage sufficient production of some products prices received by farmers would be supported at not less than 85 percent of parity until December 31, 1942. The products specifically included are chickens, eggs, evaporated milk, dry skim milk, cheese, and hogs. For chickens and eggs this price-supporting program is different from that announced last April in that it applies to farm prices, not to market prices. Parity price for a commodity having a pre-war base is the price which gives to the commodity a purchasing power, with respect to articles that farmers buy, and interest and taxes payable per acre on farm real estate, equivalent to the purchasing power in the base period (August 1909-July 1914).

Computation of Parity Prices

For eggs parity prices are computed as follows: The simple average of prices received by farmers for eggs in the base period (21.5 cents per dozen) is multiplied by the current index number of prices paid by farmers for commodities (including interest and taxes), and then this figures is divided by 100. 1/ To determine the parity price of eggs for any month an adjustment for seasonal variation is made. This is done by multiplying the above result by the index of seasonal variation in egg prices for the month in question and dividing by 100. (Index numbers of seasonal variation in egg prices were published in the May issue of The Poultry and Egg Situation report.)

Using data for August 1941 the computations are as follows: 21.5 cents (price in base period) X 135 (index number of prices paid, including interest and taxes) ÷ 100 = 29 cents (unadjusted). 29.0 cents X 97

1/ These monthly index numbers are published by the Agricultural Marketing Service in its mid-month local market price report.

(August index number of seasonal variation) + 100 = 28.1 cents, the parity price for August 1941. The average price received by farmers for eggs in the United States in August was 26.8 cents or 95 percent of parity. Eighty-five percent of parity for August was 23.9 cents.

The base-period price for chickens is 11.4 cents per pound. Parity prices for chickens are computed in the same way as for eggs except that no adjustment is made for seasonal variation. Farmers have been receiving a larger percentage of parity for chickens than for eggs to date this year. 2/

It is apparent that with the current level of prices paid by farmers for commodities used in production (the index number of which has advanced materially in recent months), the support level of 85 percent of parity for eggs is somewhat higher than the farm equivalent of the 22-cent Chicago price announced last April.

Egg Purchases by the Department of Agriculture Much Smaller in Recent Weeks

The Department of Agriculture now is purchasing dried egg products and shell eggs, but until further notice no more frozen eggs will be purchased. Purchases by months and for recent weeks are shown in the accompanying table. The approximate shell-egg equivalent of all egg products purchased up to September 20 was slightly over 5 million cases.

Purchases of eggs by the Department of Agriculture in 1941

Date	Shell	Frozen	Dried
	Cases	1,000 pounds	1,000 pounds
Month:			
Jan.	4,003	---	---
Feb.	173,003	---	---
Mar.	72,191	---	---
Apr.	386,925	---	---
May	398,711	15,527	840
June	38,401	6,240	735
July	316,535	42,218	4,750
Aug.	96,736	2,205	6,525
Week ended:			
Sept. 6 ...	---	---	1,298
13 ...	---	---	1,337
20 ...	42,850	---	1,345

Data from Surplus Marketing Administration.

2/ Prices received by farmers for chickens and eggs from 1910 to date as percentages of parity are presented in tables appearing toward the end of this report.

Exports of Eggs

Total exports of shell eggs have increased considerably since April. Exports of eggs for May and June 1941 were greater than for any calendar year from 1931-40 inclusive. Export data by countries are not available but shipments to Britain under the lend-lease authority no doubt are largely responsible for the increase. However, additional quantities of eggs also probably are being shipped to Carribbean and other nearby outlets since they formerly obtained large quantities from the low countries of Europe.

Exports of eggs and egg products, United States, by months, 1940-41

Month	Shell eggs		Egg products	
	1940	1941	1940	1941
	1,000 dozens	1,000 dozens	Pounds	Pounds
Jan.	284	327	7,554	34,522
Feb.	212	293	21,461	17,514
Mar.	363	359	23,121	77,252
Apr.	746	488	14,903	36,093
May	796	7,490	16,602	14,847
June	312	6,231	7,477	15,310
July	320	5,722	7,776	9,250
Aug.	334		14,110	
Sept.	227		14,185	
Oct.	310		9,549	
Nov.	350		30,455	
Dec.	318		21,889	

Basic data from Department of Commerce.

OUTLOOK - EGGS

BACKGROUND.- The number of eggs produced per hen increased gradually during the past three decades. In recent years the annual rate of lay has averaged about 10 percent higher than in the late 1920's. The increase in the fall and winter months has been most pronounced, exceeding 50 percent over the late 1920's for November and December. As a result of a higher average rate of production relatively fewer hens are supplying the nation's egg requirements than a decade or more ago. The number of layers reached an all-time peak of 427 million in January 1928. With the droughts and unfavorable feeding ratios in the 1930's, the number of layers was reduced considerably, especially in the West North Central and South Central States, but these areas will recover much of their losses by next January.

Continued Heavy Egg Production in Prospect

Egg production very likely will continue larger than a year earlier during the remainder of 1941. As a result, the excess of egg prices over a year earlier may continue to decrease. The number of layers on farms will continue to increase rapidly relative to late 1940 during coming months and the rate of lay per bird probably will continue at record or near-record high levels. Total egg production on farms in 1941 will be something like 3.5 percent larger than in 1940.

Number of Pullets on Farms 9 Percent Larger than a year earlier on September 1

The 14-percent larger number of chickens raised on farms this year than in 1940 resulted in 9 percent more pullets on September 1 than on September 1 a year ago. By regions, the increases in pullets on September 1 over September 1, 1940 were as follows: North Atlantic,5 percent; East North Central, 8 percent; West North Central, 10 percent; South Atlantic, 1 percent; South Central, 19 percent and Western, 10 percent.

Although the increase over a year earlier in number of pullets on farms declined from 19 percent on August 1 to 9 percent on September 1, conditions in general favor a considerable increase in number of layers for 1942. Farmers are continuing to sell fewer old hens than they did in 1940 and with continued favorable egg prices a larger proportion of this year's pullets will be saved for egg production rather than marketed for slaughter. In addition the record large late hatch will provide a considerable number of pullets for addition to laying flocks well into 1942. These factors, together with the campaign by extension workers and others to encourage farmers to keep all available hens for egg production, are expected to result in an increase in layers by January 1942 of about 10 percent over January 1941.

Large Increases in Layers Taking Place in Drought Areas of 1930's

Up until this year poultry numbers in the West North Central and in the South Central regions had not recovered from the effects of the droughts in the middle 1930's. But this year these regions show the largest increases in chickens raised and are expected to follow through with large increases in layers also.

Egg Production in 1942 Expected to be About 10 Percent Larger than in 1941

To supply sufficient eggs for domestic and lend-lease needs in 1942 a total egg production of a little over 4 billion dozen eggs is needed. This includes an allowance for nonfarm production and is about 10 percent larger than the probable output this year. The largest increases are expected in the West North Central and South Central States. Some States may increase output 20 percent over the 1941 production. The rate of lay in 1942 may average even higher than in 1941 since the proportion of pullets in next year's flocks will be larger on the average than it was this year.

In addition the feed-egg ratio next year probably will be favorable for egg production during the entire season of heavy output. In 1941 the ratio did not become favorable until April.

Favorable Egg Prices in Prospect

Egg prices in 1942 are expected to average somewhat higher than in 1941. Purchases of eggs for lend-lease needs in 1942 are expected to total about a half billion dozen or about 16-3/4 million cases (approximate shell-egg equivalent). These purchases, which will supplement an even stronger consumer demand in this country than in 1941, form the basis for the favorable outlook for prices. If necessary, in order to support prices at 85 percent of parity, the Department will purchase eggs in addition to those needed for lend-lease shipments. Such eggs would be used for distribution to people in low income groups and for building up reserves of food in this country. Even after allowing for exports of about 13 percent of the prospective total production for 1942, domestic supplies of eggs on a per capita basis will be as large as the average for recent years, or larger.

The number of layers for 1943 will be larger than in 1942 if the prospective increase in chicken production materializes. Egg production in 1943 probably would increase correspondingly. In such an event, an even stronger consumer demand than in 1942 and perhaps increased purchases by the Government might be necessary in order to prevent low egg prices after 1942, depending partly on the general level of commodity prices.

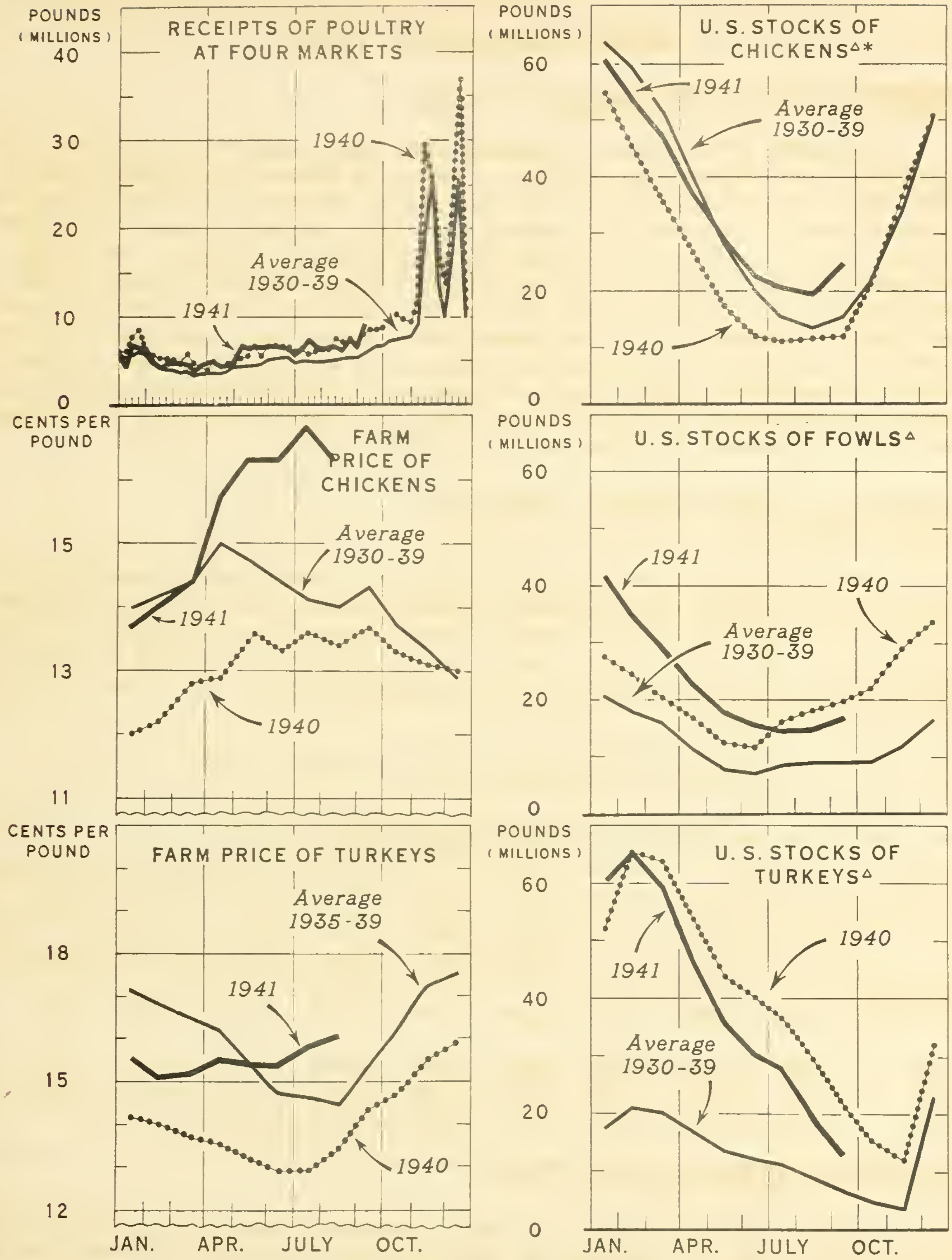
Ample Egg-Drying Capacity now in Prospect for 1942

Prior to this year the record production of dried egg products in this country was about 10 million pounds. On the basis of a 20-22 hour-day and 300 days' operation, plants in existence in early 1941 probably had the capacity to produce 50 million pounds of dried product. To meet domestic and lend-lease needs a much greater output is needed. With governmental encouragement and some granting of priorities, it now appears that sufficient drying facilities will be constructed. By January 1942 total capacity on an annual basis is expected to be between 130 and 140 million pounds. This will be ample to provide for normal domestic needs and maximum British requests under the lend-lease program, and leave sufficient facilities to dry a large part of any special reserves of eggs that may be set aside.

Near-Record Cash Farm Income in Prospect for 1942

Cash farm income from eggs in 1941 probably will be about one-third larger than in 1940 and may be the largest since 1929. In 1942 cash farm income from this source will be much larger than in 1941, the largest since 1920, and it may even be the largest on record. Higher costs will partly offset the larger returns in 1942, but all things considered it will be more profitable than average to produce eggs next year. The efficiency of egg production has increased materially in the past 10 or 15 years.

THE POULTRY SITUATION AT A GLANCE



A. M. S. DATA △ FIRST OF THE MONTH * INCLUDES BROILERS, FRYERS AND ROASTERS

U. S. DEPARTMENT OF AGRICULTUBE NEG. 39452 BUREAU OF AGRICULTURAL ECONOMICS

FIGURE 2

POULTRY SITUATION

REVIEW OF RECENT DEVELOPMENTS

Hatchery Output in 1941 Largest in History

In early 1941 farmers indicated that they intended to purchase about 9 percent more chicks than in 1940. The early season chick demand was in line with those intentions, but as egg prices weakened in late February and in early March the demand for chicks declined. As egg prices began advancing in late March, however, the demand for chicks again increased and after the Secretary's announcement of the price-supporting program in early April, farmers' demand for chicks kept hatcheries operating at record levels. During the first 8 months of 1941, 14 percent more chicks were produced than the previous record for that period in 1939 and 25 percent more than in the corresponding months of 1940. Farmers purchased from hatcheries about 77 percent of the chickens they raised this year compared with 73 percent in 1940 and less than 50 percent a decade ago.

Marketings of Young Chickens Increasing; Fowl Declining

Marketings of fowls in recent weeks have been nearly one-third smaller than a year earlier. The movement of young chickens on the other hand has continued larger than in the corresponding period of 1940 though by a slightly declining margin. During the week ended September 13 receipts of young stock at central west primary markets were 4 percent larger than in the corresponding week of last year.

Receipts of dressed poultry at four markets

(New York, Chicago, Philadelphia, Boston)

Year	Week ending as of 1941									
	July		Aug.			Sept.				Oct.
	19	26	16	23	30	6	13	20	27	25
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Average: 1930-39	4,892	4,880	5,093	5,224	5,308	5,303	5,761	6,238	6,627	7,641
1939	5,942	6,948	5,608	5,624	6,081	5,188	6,443	7,371	7,530	8,438
1940	5,724	6,079	7,548	7,008	7,547	6,807	7,979	8,478	8,403	9,796
1941	7,440	6,339	6,931	6,591	7,499	6,756	9,912			

Agricultural Marketing Service data.

Storage stocks of young chickens increased considerably during August, the increase more than offsetting the declines in holdings of fowls and turkeys. Total stocks of poultry increased about 4 million pounds during the month and on September 1 were 4 percent larger than the previous record high for that date a year earlier. Stocks of broilers were up 56 percent; stocks of fryers were about twice as large, and stocks of roasters were nearly three times as large as on September 1, 1940. Stocks of fowls were down 14 percent and stocks of turkeys were 39 percent under the record September 1 stocks of 1940. Although holdings of poultry on September 1 are normally about at the seasonal low point, the distribution among classes this year is significant. Stocks of young chickens now are nearly twice as large as a year ago.

Poultry: Storage stocks in the United States and storage movement at 26 markets

Year	United States stocks		Into-storage movement, week ending as of 1941					
			Aug.	Sept.				Oct.
	Aug. 1	Sept. 1	30	6	13	20	27	4
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Average: 1930-39	48,283	49,174	157	436	330	894	1,887	2,073
1939	64,918	62,870	1/819	1/610	1/1,122	1/119	1,849	441
1940	82,415	82,178	1/334	137	601	1,990	2,254	2,377
1941	81,206	2/85,276	940	1,480	735			

Agricultural Marketing Service data.

1/ Out-of-storage movement.

2/ Preliminary.

Chicken Prices Continuing Above a Year Earlier Despite Heavier Receipts

Wholesale prices of young chickens at Chicago in mid-September were slightly lower than a month earlier, but prices of most classes were from 2 to 4 cents higher than in September 1940. Wholesale prices of heavier fowls on the other hand were 5 to 6 cents above a year earlier, reflecting much lighter sales of hens by farmers. Prices of leghorn fowls were only slightly higher than in September 1940.

Poultry, live: Wholesale price, by classes, at Chicago, average 1936-40 and selected dates 1940 and 1941

Class	Average 1936-40 Sept.	1940 Aug.	1940 Sept.	1940 Oct.	1940 Nov.	1941 Aug.	1941 Week ending Sept. 6	1941 Week ending Sept. 13	1941 Week ending Sept. 20
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Hens:									
Over 5 pounds	18.8	15.0	16.0	15.1	14.9	19.1	20.4	20.3	20.4
5 pounds and under ..	16.6	15.0	16.0	13.1	12.6	17.6	19.7	20.4	19.3
Leghorn	13.0	11.2	11.4	10.8	10.2	15.4	15.8	15.4	15.5
Spring chickens:									
4 pounds and over									
Colored	14.7	17.1	14.7	14.2	14.8	17.2	17.1	16.5	16.3
White Rock	16.5	18.5	16.6	15.7	16.0	19.2	18.6	18.0	18.4
Barred Rock	16.7	18.5	16.6	15.4	15.4	19.6	19.1	18.6	17.7
Under 4 pounds									
Colored	15.4	15.9	14.5	13.9	14.3	17.0	17.3	17.0	16.8
White Rock	17.4	17.6	16.3	15.8	15.8	19.2	18.8	18.4	18.5
Barred Rock	17.7	17.3	16.4	15.8	16.1	19.3	19.5	19.3	18.2
Broilers:									
2-1/2 pounds and under:									
Colored	16.7	16.1	15.5	16.2	16.3	17.2	17.5	17.5	17.5
White Rock	18.5	17.4	17.5	18.1	18.6	19.0	19.0	19.0	19.0
Barred Rock	18.5	17.6	17.3	18.0	18.7	19.8	20.1	20.5	20.5

Chicago Price Current.

Price per pound received by farmers for live chickens, United States

Year	Jan. 15	Feb. 15	Mar. 15	Apr. 15	May 15	June 15	July 15	Aug. 15	Sept. 15	Oct. 15	Nov. 15	Dec. 15
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Average												
1930-39	14.0	14.2	14.4	15.0	14.7	14.4	14.1	14.0	14.3	13.7	13.3	12.9
1938	16.7	16.0	15.9	16.2	16.1	15.7	15.0	14.2	14.3	13.6	13.6	13.6
1939	14.0	14.2	14.3	14.4	13.9	13.4	13.7	13.0	13.6	12.7	12.4	11.7
1940	12.0	12.2	12.8	12.9	13.6	13.3	13.6	13.4	13.7	13.3	13.1	13.0
1941	13.7	14.0	14.4	15.7	16.3	16.3	16.8	16.3				

Agricultural Marketing Service data.

OUTLOOK - CHICKENS

BACKGROUND.- As a result of the relatively smaller number of layers required now to produce the nation's supply of eggs, the fowl slaughter accounts for a smaller proportion of the annual production of chicken meat than formerly. Before the large increase in broiler output, production of young chickens for meat fluctuated pretty closely with the number of pullets raised for flock replacement.

Commercial broiler production has more than made up for the relatively smaller quantity of meat coming from the fowl slaughter. Since broiler production has become a year-round proposition, it has resulted in a lessening of seasonal variation in prices and consequently has stimulated consumption.

Chicken Slaughter in 1941 Will Be the Largest in History

Preliminary data indicate an increase of 14 percent in the number of chickens raised on farms this year compared to 1940. Increases have occurred in all regions, but are most pronounced in the West North Central and South Central States -- the areas where numbers were reduced most during the drought in the middle 1930's. Feed supplies in these areas this year were the largest in several years, and a considerable amount of unused housing capacity was available as a result of the decline in numbers a few years ago.

The slaughter of farm-produced chickens this year is expected to total around 680 million birds. In addition, the slaughter of broilers will be something like 150 million head, and nonfarm production probably will contribute another 50 to 60 million. The total slaughter of chickens in the United States this year, therefore, is expected to be by far the largest on record. The increase in meat supplies may be even larger than the increase in number slaughtered since conditions this year favor feeding to heavier weights.

Despite the prospective heavy marketings, the average price received by farmers for chickens is expected to remain above a year earlier at least for the next several months. The spread over a year earlier will continue to be relatively greater for hens than for young chickens, however, since marketings of fowl will decline and marketings of young chickens will increase seasonally. In fact, prices received by farmers for some classes of young chickens later this year may average little different from those a year earlier

A Further Increase in Chicken Production in Prospect for 1942

Although prices received by farmers for chickens may decline later this year, chicken producing in 1941 has been very favorable. Thus with a favorable outlook for chicken and egg prices for 1942, a further increase in chicken production next year probably will result. It is likely that with the larger number of fowls to be marketed, total slaughter of farm-produced chickens in 1942 will reach 750 million head -- the goal specified by the Secretary of Agriculture in the recently announced food expansion program. The number of all chickens on farms probably will not be increased as much in 1942 as this year. Numbers of chickens on farms may be increased 50 million head or more during 1941, but only a moderate increase may occur during 1942. Because of the probability of a heavier fowl slaughter next year and a smaller increase in size of farm flocks, the desired slaughter may be attained with an increase in hatchings over a year earlier only half as large as occurred in 1941. An increase any larger than that may cause considerable readjustment difficulties later. The number of layers for 1943 could be maintained at the 1942 level even though the 1942 hatch should be no larger than this year's output.

Because of the further improvement in consumer demand for poultry expected for 1942 and the relatively elastic nature of that demand, prices received by farmers during most of 1942 may average higher than in 1941. However, during the last few months of 1942 a very strong demand may be necessary to keep prices above those of late 1941 since the prospective record supplies of chickens probably will be competing with record domestic supplies of other meats. If favorable prices should continue through the heavy marketing season in the fall of next year, the usual 3-year cycle of chicken production may be modified in that further increases might occur in 1943. In such an event chicken prices in 1943 might decline even if the 1942 level of consumers' incomes were maintained, since the fowl slaughter in 1943 would be even larger than that in prospect for next year, although prices at that time also will depend partly upon movements of the general price level.

Government to Purchase Chickens Under Lend-Lease Authority

On September 3 the Federal Surplus Commodity Corporation announced that it was prepared to receive offers for the sale of canned, boned chicken. Offers in response to the first announcement were received up to September 10 and 52,000 pounds were purchased. Arrangements are being made to purchase additional quantities. During 1942 it is expected that about 18 million pounds (dressed-weight basis) of poultry, mostly chicken, will be purchased for export under the lend-lease program or for other purposes.

Broiler Output Has Increased Rapidly

Indications are that the broiler industry during the past year or so as a whole has operated at about 50 percent of prevailing capacity. In other words, if all houses had been filled to capacity all year, nearly twice as many broilers could have been produced. In 1941 at least 150 million broilers will be produced, an output equivalent to perhaps 15 percent of the probable domestic chicken production. Thus, if chicken prices should average much higher next year than now appears likely, chicken production may increase considerably more than is now expected (because of increased broiler output) since supplies of hatching eggs probably will be more abundant next year than they were this year.

In connection with the poultry expansion program, however, it is emphasized that the need is decidedly more for eggs than for meat. The desired slaughter as recently announced is expected to result from the price relationships in prospect. Broiler production has increased from one-fourth to one-third annually for several years and already contributes a sizable portion of the total chicken production in the United States. It is hard to determine, during the present abnormal times, just how much additional expansion would be justified in the long run. But, in general, it appears to be rather hazardous to expand permanent poultry housing facilities materially at this time. With fowl slaughter much larger during the next few years and production of young chickens on a higher level, per capita supplies of chicken meat will be by far the largest in history. In addition, domestic per capita supplies of other meats probably will be the largest in more than a decade. Maintenance of favorable prices under these conditions are dependent upon a continued strong consumer demand for all meats.

TURKEYS

Preliminary data indicate turkey production in 1941 will be about 5 percent larger than in 1940. This year's slaughter, however, probably will be a little smaller than in 1940. Fewer turkeys were carried over from last year for marketing in early 1941 and more will be carried over into 1942 because of the large late hatch and the probability of some increase in the number of breeding stock. Turkey prices for 1941 will average materially higher than in 1940. This probably will lead to further expansion in turkey production next year.

The average price received by farmers for turkeys in mid-August, 16.1 cents per pound, was 20 percent higher than in August 1940. Wholesale prices for live turkeys strengthened somewhat further in mid-September.

Price per pound received by farmers for live turkeys, United States

Year	Jan. 15	Feb. 15	Mar. 15	Apr. 15	May 15	June 15	July 15	Aug. 15	Sept. 15	Oct. 15	Nov. 15	Dec. 15
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Average: 1935-39	17.2	16.8	16.5	16.2	15.5	14.7	14.6	14.4	15.3	16.1	17.2	17.5
1938	17.5	17.7	17.2	17.0	16.4	15.6	15.7	15.0	16.0	16.5	17.1	18.4
1939	18.3	17.5	17.6	16.9	15.6	14.7	14.4	14.3	15.4	15.3	16.0	15.6
1940	14.2	14.0	13.7	13.5	13.2	12.9	12.9	13.4	14.3	14.7	15.5	15.9
1941	15.5	15.1	15.2	15.5	15.4	15.4	15.8	16.1				

Agricultural Marketing Service data.

DOMESTIC DEMAND

Further gains in the consumer demand for farm products are in prospect for the remainder of 1941 but the gains are expected to be more moderate than those during the past 8 months. Industrial activity has about stopped rising, partly as a result of the diversion of materials from civilian use to defense needs. The rapid gains in economic activity which occurred prior to August, however, will result in some further increases in consumer income. The limitations on output of durable goods for consumer use will release more of the income for purchases of nondurable items, including food and other products using farm commodities as raw materials.

Consumer incomes are expected to increase further during 1942 as the economy becomes adjusted to a larger production of defense materials. (The outlook for domestic demand in 1942 will be presented in detail in the October issue of the Demand and Price Situation.)

Nonagricultural Labor Income Presented as an Improved Measure of Consumer Demand

In connection with income research being carried on in this Bureau a series of data has been computed which measures the labor income received by nonagricultural workers. This group constitutes a major portion of the total nonfarm population and thereby also the most important single outlet for agricultural products. In recent years the aggregate income received by this group has constituted over two-thirds of the total nonagricultural income payments.

Nonagricultural labor income for recent years was determined from Department of Commerce data of income payments. It consists of salaries and wages, and unemployment, retirement, and workmen's compensations and pensions (exclusive of military pensions).

Comparable data for earlier years were developed from information obtained from the National Bureau of Economic Research. The resulting series measures the flow of money to that group of the population which materially alters its expenditures for food when its income is changed. Generally speaking, individuals receiving their income from interest, dividends, etc. are in the higher income groups and their demand for food is not changed materially when their income changes. For these reasons the nonagricultural labor income series appears to be a better indicator of changes in the level of demand for many farm products in recent years than those previously used.

Changes in cash farm income from eggs are closely associated with changes in the nonagricultural labor income. In the cover page chart these two series are expressed as percentage changes from the preceding year rather than as percentages of a fixed base. Over the 31-year period so many gradual changes have occurred in the structure of the economy and in the source of income that the long-time changes in the two series have been quite different. Relative to the period 1910-14, for example, nonagricultural labor income in recent years has been much higher than cash farm income from eggs. The annual data and the monthly data of nonagricultural labor income (unadjusted for seasonal variation) are presented in the following table. This series will be carried hereafter in the Poultry and Egg Situation instead of the series of index numbers of nonagricultural income payments.

Nonagricultural labor income, by months, 1929 to date

Index numbers (1924-29 = 100) 1/

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1929	105.1	106.1	108.3	109.5	111.3	111.5	108.9	110.3	112.8	114.0	109.6	108.7
1930	103.9	103.2	105.6	103.8	105.8	102.9	97.4	95.8	97.6	97.6	94.0	92.8
1931	88.8	88.6	89.2	88.8	88.6	87.3	82.8	80.8	81.2	80.8	78.1	76.4
1932	74.0	72.3	71.5	69.4	68.2	66.0	60.6	60.0	62.4	63.8	62.1	61.2
1933	60.0	58.7	57.4	57.6	59.3	61.1	60.0	62.0	64.6	67.2	66.8	70.6
1934	71.3	71.3	72.7	71.4	72.9	72.7	69.7	70.2	70.9	73.4	73.0	74.0
1935	74.4	75.3	76.5	77.3	77.6	77.5	74.6	75.9	79.3	82.1	82.0	84.8
1936	83.7	84.1	85.9	86.8	88.1	88.3	86.4	87.5	90.3	94.0	94.5	96.8
1937	92.9	94.4	97.4	98.7	99.9	100.0	96.7	97.6	99.1	100.5	96.9	95.3
1938	89.1	89.5	90.6	90.5	90.4	90.6	87.5	90.0	94.1	96.9	97.1	98.9
1939	94.4	94.6	96.6	95.5	96.9	98.9	94.7	96.6	100.1	104.6	104.7	106.5
1940	101.4	101.1	102.6	102.8	104.7	105.3	102.4	104.7	109.0	113.3	113.2	117.3
1941	115.2	115.5	119.9	121.9	126.5	130.2	127.8					

Based on data from Department of Commerce and the National Bureau of Economic Research.

1/ Annual data from 1910 to date are included in another table of this report.

Chickens, live: Price received by farmers as percentage of parity price, annual, 1910-40, by months, March 1923 to date

Annual

Year	Percentage	Year	Percentage	Year	Percentage	Year	Percentage
1910	105	1918	109	1926	114	1934	77
1911	94	1919	106	1927	107	1935	100
1912	96	1920	107	1928	110	1936	105
1913	103	1921	112	1929	119	1937	102
1914	107	1922	103	1930	103	1938	104
1915	96	1923	101	1931	99	1939	92
1916	95	1924	102	1932	85	1940	90
1917	100	1925	105	1933	70		

Monthly

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1923			100	103	106	107	110	105	105	102	95	89
1924	94	97	101	104	109	110	108	107	105	103	98	94
1925	96	98	103	108	113	111	110	108	106	104	100	102
1926	109	111	113	120	123	124	122	115	111	108	105	104
1927	106	112	113	115	115	106	105	104	103	104	103	102
1928	104	106	106	108	112	111	113	112	116	115	113	112
1929	114	116	119	125	128	130	125	119	118	114	107	102
1930	106	110	111	115	109	104	96	96	99	98	93	88
1931	93	91	98	102	98	101	101	104	102	94	96	93
1932	92	87	89	90	88	83	85	85	85	79	76	69
1933	72	73	72	77	81	77	78	71	67	65	62	61
1934	67	72	74	77	77	77	81	77	85	79	79	79
1935	83	89	95	103	105	104	94	95	105	108	110	110
1936	114	117	115	117	115	115	110	102	100	94	89	84
1937	88	88	93	97	95	95	98	108	114	117	113	110
1938	112	107	107	109	109	107	103	98	99	94	94	94
1939	97	99	99	100	97	93	95	92	93	87	85	80
1940	83	84	88	88	93	91	94	92	94	92	90	89
1941	94	96	98	107	110	109	111	106				

Eggs: Price received by farmers as percentage of parity price, annual, 1910-40, by months, March 1923 to date

Annual

Year	Percentage	Year	Percentage	Year	Percentage	Year	Percentage
1910	108	1918	107	1926	87	1934	67
1911	90	1919	103	1927	79	1935	86
1912	102	1920	108	1928	84	1936	83
1913	98	1921	94	1929	90	1937	75
1914	104	1922	81	1930	74	1938	78
1915	94	1923	84	1931	63	1939	67
1916	93	1924	85	1932	62	1940	69
1917	107	1925	92	1933	60		

Monthly

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1923			91	84	83	78	76	76	83	84	92	89
1924	80	94	73	74	76	81	82	84	89	91	90	95
1925	108	98	82	90	91	95	97	94	85	88	91	91
1926	82	81	84	94	94	94	99	83	86	86	88	91
1927	85	83	74	78	75	66	71	74	80	83	83	85
1928	89	83	82	85	91	88	87	84	84	81	78	84
1929	77	92	98	86	92	96	94	92	91	89	87	91
1930	93	95	77	83	78	71	67	67	71	66	68	58
1931	60	47	69	70	58	62	61	65	62	65	66	64
1932	55	50	49	51	53	54	56	63	63	73	73	80
1933	79	48	53	56	64	53	63	56	56	63	63	59
1934	60	63	66	65	64	63	62	67	72	68	72	70
1935	81	97	82	90	98	96	92	87	88	82	78	78
1936	79	95	80	80	87	91	85	85	79	78	81	81
1937	77	76	84	86	78	77	76	74	72	71	70	70
1938	75	64	71	71	80	84	83	81	82	79	75	80
1939	69	68	73	71	71	70	69	68	67	66	66	58
1940	68	83	68	67	69	66	67	66	68	69	68	77
1941	75	69	72	87	89	104	100	95				

Hens and pullets on farms, rate of lay, eggs produced, sales of eggs, average price received by farmers and cash farm income from eggs 1910-40

(Data for neg. 39521 and 39539)

Year	Hens and pullets on farms Jan. 1	Average number of eggs produced per hen and pullet	Eggs produced on farms	Quantity of eggs sold by farmers	Average price per dozen received by farmers for eggs	Cash farm income from eggs
	Millions	Number	Million dozen	Million dozen	Cents	Million dollars
1910	319	85	2,250	1,582	20.9	331
1911	342	86	2,450	1,736	17.5	304
1912	329	86	2,358	1,676	20.2	339
1913	327	86	2,342	1,655	19.4	321
1914	323	85	2,325	1,637	20.5	336
1915	340	88	2,492	1,756	19.4	341
1916	331	87	2,400	1,698	22.1	375
1917	322	86	2,303	1,646	31.8	523
1918	326	86	2,333	1,663	36.0	599
1919	351	87	2,542	1,846	41.3	762
1920	341	87	2,475	1,796	43.5	781
1921	332	93	2,567	1,866	28.3	528
1922	354	93	2,750	2,022	25.0	506
1923	372	94	2,917	2,199	26.5	583
1924	390	89	2,883	2,194	26.7	585
1925	391	90	2,914	2,242	30.4	682
1926	394	95	3,104	2,404	28.9	695
1927	415	93	3,219	2,496	25.1	626
1928	427	91	3,222	2,522	28.1	709
1929	404	94	3,160	2,482	29.8	740
1930	420	93	3,256	2,551	23.7	606
1931	402	96	3,211	2,469	17.6	434
1932	386	94	3,025	2,285	14.2	324
1933	391	91	2,960	2,228	13.8	309
1934	385	89	2,869	2,171	17.1	370
1935	350	95	2,775	2,098	23.4	491
1936	361	94	2,833	2,136	21.8	466
1937	377	100	3,137	2,408	21.3	513
1938	350	106	3,083	2,330	20.3	473
1939	371	103	3,186	2,431	17.4	423
1940	384	101	3,240	2,504	18.0	449
1941	373					

Agricultural Marketing Service data.

Prices received by farmers for chickens and eggs, cost of poultry ration and nonagricultural labor income 1910-41

(Data for neg. 39539 and 39541)

Year	Average price received by farmer for eggs	Average price per pound received by farmer for chickens		Average cost of a poultry ration per 100 pounds 1/		Non-agricultural labor income
	Index numbers (1910-14 = 100)	Price	Index numbers (1910-14 = 100)	Cost	Index numbers (1910-14 = 100)	Index numbers (1910-14 = 100)
		Cents		Dollars		
1910	106	11.8	101	1.29	99	35.4
1911	89	10.9	93	1.22	94	35.8
1912	103	11.0	94	1.38	106	38.3
1913	98	12.3	105	1.23	94	41.1
1914	104	12.6	108	1.40	107	40.5
1915	98	11.8	101	1.44	110	42.3
1916	112	13.5	115	1.53	117	49.1
1917	161	16.9	144	2.67	205	56.1
1918	183	21.7	185	2.89	222	70.4
1919	210	24.6	210	2.97	228	76.7
1920	221	26.3	224	2.93	225	90.6
1921	144	20.9	178	1.28	98	74.0
1922	127	19.2	164	1.34	103	78.1
1923	135	19.1	163	1.60	123	90.7
1924	136	19.4	166	1.72	132	90.6
1925	154	20.5	175	1.93	148	94.2
1926	147	22.3	189	1.55	119	100.5
1927	127	20.3	171	1.67	128	101.5
1928	143	21.5	181	1.79	137	103.5
1929	151	22.8	192	1.72	132	109.7
1930	120	18.4	153	1.50	115	99.7
1931	89	15.8	135	.98	75	84.3
1932	72	11.8	102	.64	49	66.0
1933	70	9.5	82	.81	62	62.1
1934	87	11.3	98	1.23	94	72.0
1935	119	14.9	127	1.44	111	78.1
1936	111	15.8	136	1.46	112	86.9
1937	108	15.9	143	1.74	134	97.5
1938	103	15.0	133	1.02	79	92.1
1939	88	13.5	115	1.04	80	98.7
1940	91	13.3	114	1.19	91	106.5
1941						

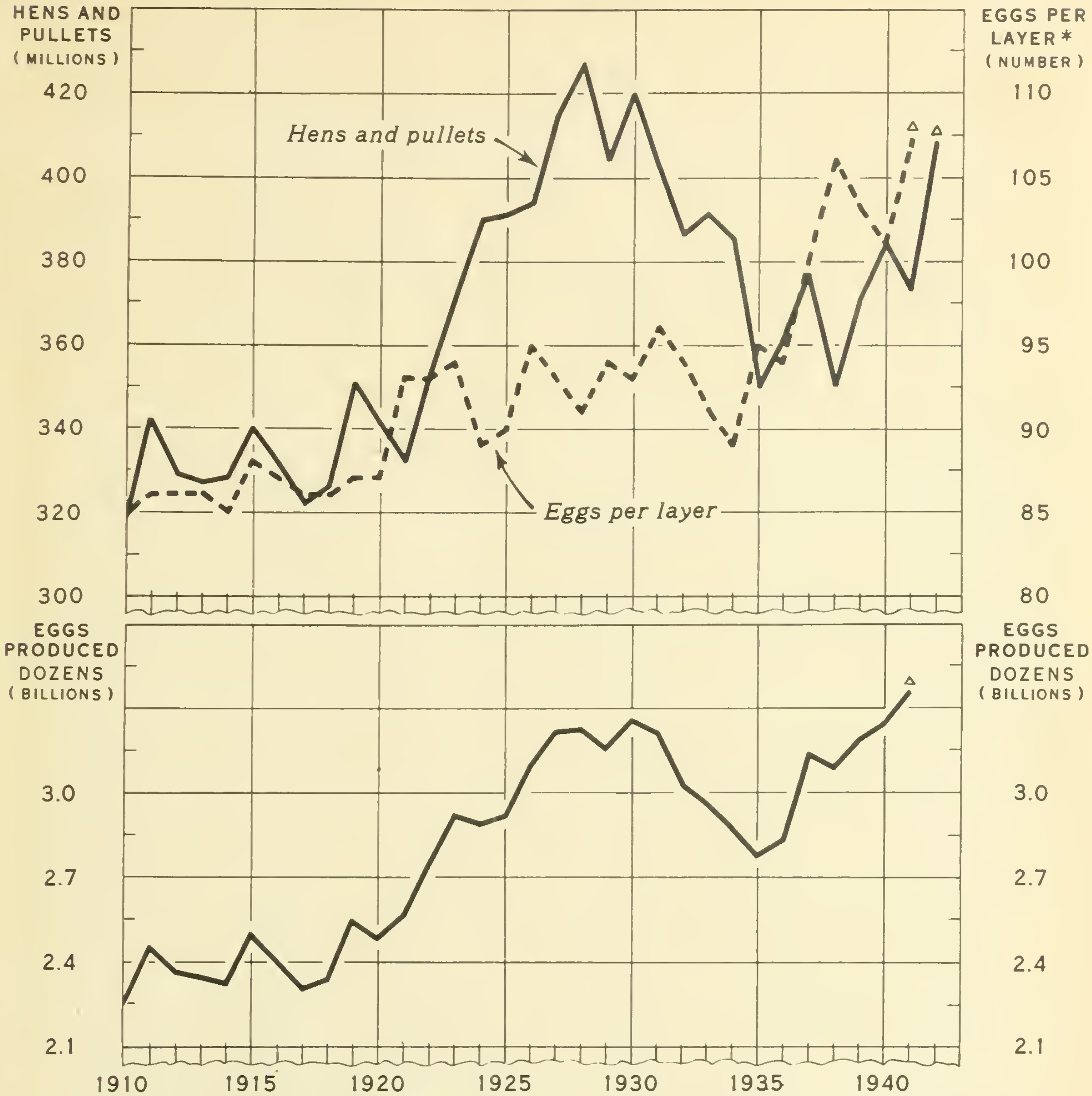
Continued -

Prices received by farmers for chickens and eggs, cost of poultry ration and nonagricultural labor income 1910-41 -Continued

Nonagricultural labor income based on data from Department of Commerce and National Bureau of Economic Research. All other basic data from Agricultural Marketing Service.

1/ Ration consists of corn 62 pounds, wheat 14 pounds, oats 8 pounds, barley 2 pounds, bran 9 pounds, and tankage 5 pounds. Monthly cost based on United States average midmonth prices received for corn, wheat, oats, and barley and midmonth prices paid for bran and tankage. Annual figures are simple averages of monthly data. Although this ration may not be used as such anywhere in the United States, the constituents compose a very large percentage of all rations and therefore the price changes are significant. Rations used in present-day poultry feeding operations are flexible and include many additional ingredients.

HENS AND PULLETS ON FARMS JANUARY 1, EGGS PER LAYER, AND TOTAL EGG PRODUCTION ON FARMS, UNITED STATES, 1910-41



DATA FROM A. M. S. *AVERAGE NUMBER OF EGGS PRODUCED ANNUALLY PER LAYER △ ESTIMATE

U. S DEPARTMENT OF AGRICULTURE NEG. 39521 BUREAU OF AGRICULTURAL ECONOMICS

FIGURE 3.- THE AVERAGE NUMBER OF EGGS PRODUCED ANNUALLY PER HEN IN RECENT YEARS HAS BEEN ABOUT 10 PERCENT LARGER THAN IN THE LATE 1920'S. AS A RESULT, RELATIVELY FEWER HENS ARE SUPPLYING THE NATION'S EGGS. EGG PRODUCTION IN 1942 WILL BE THE LARGEST ON RECORD BUT THE NUMBER OF HENS WILL BE BELOW THE 1927-30 AVERAGE.

FEED-EGG RATIO AT CHICAGO, 1927-41

(DEVIATIONS FROM 10-YEAR AVERAGE)

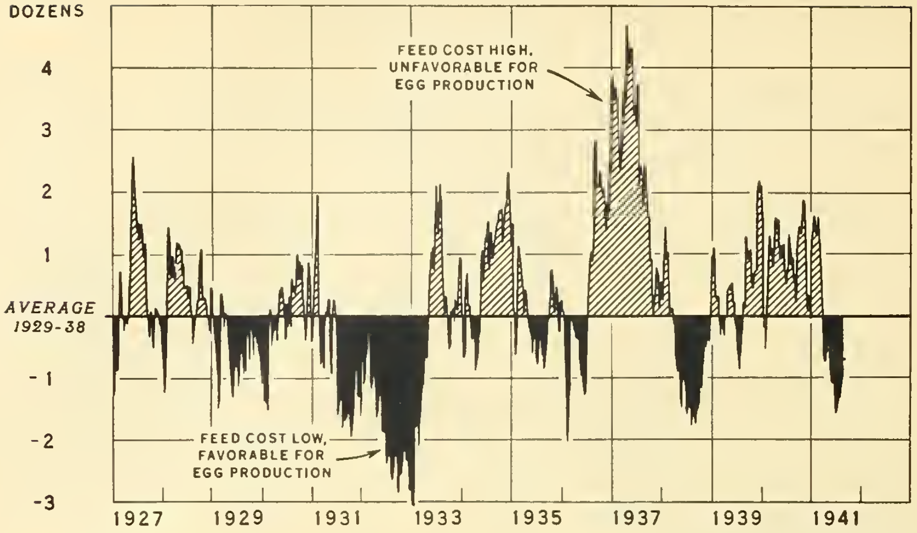


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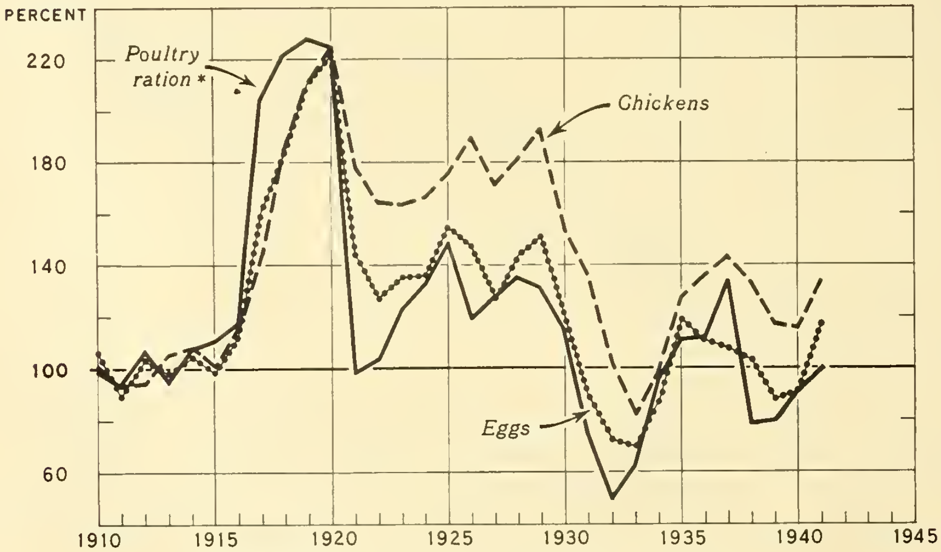
FIGURE 4

PRICES RECEIVED BY FARMERS FOR CHICKENS AND FOR EGGS, AND COST OF POULTRY RATION, UNITED STATES, 1910-41

INDEX NUMBERS (1910-14=100)



* BASED ON PRICES OF CORN, OATS, BARLEY, WHEAT, BRAN, AND TANKAGE

BASED ON DATA FROM A. M. S. DATA FOR 1941 ARE ESTIMATED

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FIGURE 5

During the World War feed costs advanced much more rapidly than chicken and egg prices. In the past year, however, the advance in prices of poultry products has kept ahead of the advances in feed costs. Although feed prices during the 1941-42 crop year probably will be maintained at or above the September 1941 levels, the feed-egg ratio for the period as a whole is expected to be more favorable for producers than the 10-year average feed-egg ratio.